

MUNICIPAL CORPORATIONS COMMITTEE

DATE: August 8, 2005

CALLED TO ORDER: 3:48 p.m.

ADJOURNED: 4:48 p.m.

ATTENDANCE

Attending Members

Ron Gibson, Chair
Vernon Brown
Lonnell Conley
Sherron Franklin
Scott Keller
Earl Salisbury

Absent Members

Isaac Randolph

Budget Hearing

Health and Hospital Corporation

MUNICIPAL CORPORATIONS COMMITTEE

The Municipal Corporations Committee of the City-County Council met on Monday, August 8, 2005. Chair Ron Gibson called the meeting to order at 3:48 p.m. with the following members present: Vernon Brown, Lonnell Conley, Sherron Franklin, Scott Keller, and Earl Salisbury. Absent was Isaac Randolph.

Health and Hospital Corporation

Matt Gutwein, Executive Director, Health and Hospital Corporation (H&H), introduced Dr. Virginia Cain, Director of the Marion County Health Department (MCHD), and Dr. Lisa Harris, Chief Executive Officer of Wishard Health Services (WHS).

Mr. Gutwein summarized the main goals of H&H which include:

- Investing broadly and strategically in preventive public health
- Improving access to the indigent and underserved population in Indianapolis
- Continuing to be productive and efficient
- Continuing to be creative in seeking out funding sources other than property tax revenues (He added that property tax revenues are not remotely sufficient in meeting financial goals.)

Mr. Gutwein stated that over the last nine years the cost of providing indigent care at Wishard Hospital has increased by \$139 million. During the same nine-year period, the property tax revenues have increased by a total of \$17 million, half of which goes to Wishard.

Mr. Gutwein said that Wishard will expand and broaden services offered to the community, as well as increase the budgets of MCHD and Wishard by 3.4%. At the same time, the amount of money that H&H is spending to meet indigent needs at Wishard is lower than it was in 2002 and has remained "flat" from 2003 to current. He said that the tax rate that is being proposed is frozen and identical to the rate budgeted for 2005.

Mr. Gutwein explained that the cost of healthcare continues to rise rapidly, and this is the sixth year of double-digit inflation in healthcare costs. He said that H&H can fully expect reductions in the amount of reimbursement that it receives from partners in the State and Federal government. He said that the State Medicaid office has a \$100 million deficit that must be tackled, and H&H already knows the reductions from the Federal reimbursement through 2008.

Mr. Gutwein noted that H&H can continue to expect an increase in the demand for indigent services. In stabilizing its finances at this time, H&H is bucking the national trend. He said that most "safety net" hospitals are not doing nearly as well as Wishard right now.

Mr. Gutwein explained that H&H's first mission is to improve and expand investments in public health by initiating the following:

- Working with many community partners to conquer obesity (conducting free body mass index screenings, obesity intervention at all community healthcare centers, etc.)
- Intensive case management for illnesses that are the greatest in Indianapolis such as diabetes, asthma, high-risk pregnancy, etc.
- Aggressive approach for eliminating tobacco usage (all H&H property is smoke-free, smoking cessation, etc.)
- Partnership with Indiana Black Expo for the Reverend Charles Williams Prostate Cancer Mobile Unit. Mr. Gutwein noted that this partnership is especially important because of the greater risk of prostate cancer in African American males.
- Expansion of BABE stores. These stores encourage high-risk pregnant women to obtain prenatal care. In exchange for this care, they receive free necessary items such as cribs, strollers, clothing, etc.
- Initiative with the Indiana Healthcare Information Exchange. H&H was the founding member and original founder of this, and now all of the local hospitals are members. This system transfers electronic medical data on a single system around the city. There is no other city in the country that has this system.
- Aggressive recruiting for mothers and children to join the Women, Infants, Children (WIC) program
- Stepping up housing inspections and hauling of trash
- Free community vaccinations
- Boarding up and repair of abandoned homes for community safety and health
- Aggressive mosquito control
- Increase the amount of health fairs which provide free health screenings and opportunities to sign up for Medicare, Medicaid, and the Wishard Advantage program
- Increase services to the Hispanic community. Mr. Gutwein noted that 40% of the births at Wishard are to Hispanic mothers.

Mr. Gutwein stated that this year H&H is on schedule to be "in the black." He said that in 2002, H&H lost \$77 million as a corporation. In 2003, this number was reduced to \$14 million, and in 2004 it was reduced further to approximately \$2.5 million. He estimates that 2005 and next year will have positive numbers.

Mr. Gutwein also noted additional ways that H&H has cut costs, such as:

- The Open Access System, which allows patients to call between 7:00 a.m. and 9:00 a.m. and get in to see a physician the same day
- Altering scheduling "rounds" for the physicians
- Simple measures such as switching types of supplies

Mr. Gutwein emphasized the importance of alternative revenue sources. He said that tonight the Wishard Hospital telethon will be televised, which raises donations for the hospital. He also noted that patients with private insurance are being sought, and added that Wishard is well known for its Burn Unit and bariatric surgery, so they continue to broadly advertise these two services.

Mr. Gutwein noted how essential it is to take care of the H&H employees. He said that H&H is offering a Wellness program, discounts to Weight Watchers, discounts to area exercise facilities, tuition assistance, and a 3% yearly merit increase.

Concerning the budget, Mr. Gutwein stated that the advertised assessed value is 3.9%, which is frozen, and the tax rate will remain the same.

Chair Gibson asked if all of H&H's various funds will remain consistent. Mr. Gutwein responded in the affirmative. Chair Gibson asked if the H&H Board has approved this budget. Mr. Gutwein answered that a second meeting will be tomorrow, and the final approval will occur at the end of August. He does not anticipate any changes.

Councillor Keller asked how H&H handles any out-of-county indigent patients. Mr. Gutwein responded that in working with the Indiana State General Assembly, it is fairly easy for H&H to collect payment.

Chair Gibson complimented H&H for its exemplary efforts and thanked all in attendance.

With no further business pending, and upon motion duly made, the Municipal Corporations Committee of the City-County Council was adjourned at 4:48 p.m.

Respectfully submitted,

Ron Gibson, Chair
Municipal Corporations Committee